



6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R05-OAR-2019-0032; FRL-10002-26-Region 5]

**Air Plan Approval; Illinois; Emissions Reduction Market System
Sunsetting**

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a State Implementation Plan (SIP) revision submitted by the Illinois Environmental Protection Agency (Illinois EPA) on January 11, 2019, concerning the State's Emissions Reduction Market System (ERMS) program for the Chicago ozone nonattainment area (NAA) in Illinois. The revision sunsets the ERMS program and removes 35 Illinois Administrative Code (35 IAC) Part 205, from the SIP as the ERMS program is no longer effective in providing additional emissions reductions or environmental benefit. The submittal includes a demonstration under section 110(1) of the Clean Air Act (CAA) that addresses emission impacts associated with the sunsetting of the program.

DATES: This final rule is effective on **[insert date 30 days after date of publication in the Federal Register]**.

ADDRESSES: EPA has established a docket for this action under Docket ID No. EPA-R05-OAR-2019-0032. All documents in the

docket are listed in the <http://www.regulations.gov> web site.

Publicly available docket materials may be obtained either from <http://www.regulations.gov>, or from the person identified in the "For Further Information Contact" section.

FOR FURTHER INFORMATION CONTACT: Francisco J. Acevedo, Mobile Source Program Manager, Control Strategies Section, Air Programs Branch (AR-18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-6061, acevedo.francisco@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document whenever "we," "us," or "our" is used, we mean EPA.

I. What is being addressed by this document?

The ERMS program was originally implemented in Illinois as a cap-and-trade program designed to reduce the emissions of volatile organic compounds (VOC¹) in the Chicago ozone NAA below the levels required by reasonably available control technology (RACT) and other regulations. The program was intended to achieve additional emission reductions needed for the post-1999 ozone Rate of Progress (ROP) plan for the now-revoked 1979 1-hour ozone standard, while providing sources with more flexibility than is typically present in other regulations.

¹ Illinois uses the term "Volatile Organic Material" (VOM) rather than VOC. The State's definition of VOM is equivalent to EPA's definition of VOC at 40 CFR 51.100. The two terms are interchangeable when discussing volatile organic emissions. For consistency with the CAA and EPA policy, this rulemaking uses the term VOC.

The ERMS program was adopted by Illinois in 1997 and approved as part of the Illinois SIP by EPA on October 15, 2001 (66 FR 52343). The program was amended in 2005 and approved by EPA on July 7, 2008 (73 FR 38328).

Illinois has achieved all the reductions needed under the ROP plan for the Chicago NAA, and is now terminating the ERMS program, as it is no longer effective in providing environmental benefit. Since the implementation of ERMS in 2000, actual emissions from sources in ERMS have continued to decrease. These emissions reductions are due to various factors, including the shutdown of the original affected sources. New sources and emission units that have become subject to ERMS do not emit at the rate of these older, shut down sources. Additionally, as discussed in EPA's proposal, several State and Federal regulations addressing VOC emissions have been promulgated since ERMS began, resulting in a significant decline in both allowable and actual emissions. As part of their SIP submittal, Illinois EPA requested EPA's approval of the State's action to sunset the ERMS program as of April 30, 2018, which would therefore allow EPA to remove 35 IAC Part 205 provisions from the SIP. Illinois EPA submitted an anti-backsliding analysis in accordance with section 110(l) of the CAA to demonstrate that the discontinuation of the ERMS program as of April 30, 2018 will not interfere with attainment or maintenance of the ozone NAAQS

in the Chicago NAA.

II. What comments did we receive on the proposed SIP revision?

Our August 19, 2019 proposed rule provided a 30-day comment period (84 FR 42872). The comment period closed on September 19, 2019. EPA received one comment during the public comment period. The comment supported EPA's proposed action to allow the ERMS sunset in Illinois' SIP and encouraged EPA to make the SIP revision effective as soon as possible.

III. What action is EPA taking?

EPA is approving the revision to the Illinois SIP submitted by the Illinois EPA on January 11, 2019, because the sunset of Illinois' ERMS program in the SIP meets all applicable requirements and would not interfere with reasonable further progress or attainment of the ozone NAAQS. As a result, EPA is removing the ERMS provisions (35 IAC Part 205) from the SIP.

IV. Incorporation by Reference.

In this document, EPA is finalizing regulatory text that includes incorporation by reference. As described in the amendments to 40 CFR part 52 set forth below, EPA is removing provisions of the EPA-Approved Illinois Regulations and Statutes from the Illinois SIP, which is incorporated by reference in accordance with the requirements of 1 CFR part 51. EPA has made, and will continue to make the SIP generally available through www.regulations.gov and at the EPA Region 5 Office

(please contact the person identified in the "For Further Information Contact" section of this preamble for more information).

V. Statutory and Executive Order Reviews.

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not expected to be an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because this action is not significant under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);

- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian

reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the Federal Register. A major rule cannot take effect until 60 days after it is published in the Federal Register. This action is not a "major rule" as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by **[insert date 60 days after date of publication in the Federal Register]**. Filing a petition for reconsideration by the Administrator of this final

rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2) of the CAA.)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control,
Incorporation by reference, Volatile organic compounds.

Dated: November 6, 2019.

Cathy Stepp,
Regional Administrator, Region 5.

For the reasons stated in the preamble, EPA amends 40 CFR part 52 as set forth below:

PART 52--APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart O—Illinois

§ 52.720 [Amended]

2. In § 52.720, the table in paragraph (c) is amended by removing the undesignated headings "Subchapter b: Alternative Reduction Program" and "Part 205: Emissions Reduction Market System" and all the undesignated subheadings and entries up to and including the entry "205.760".

[FR Doc. 2019-24938 Filed: 11/18/2019 8:45 am; Publication Date: 11/19/2019]